

1 **EXPIRATION OF GROUP HEALTH**
2 **INSURANCE FOR RETIRED GOVERNORS AND**
3 **LEGISLATORS**

4 2006 GENERAL SESSION

5 STATE OF UTAH

6 **Chief Sponsor: David Clark**

7 Senate Sponsor: Darin G. Peterson

8
9 **LONG TITLE**

10 **General Description:**

11 This bill modifies the Public Employees' Benefit and Insurance Program Act by
12 amending postretirement medical coverage provisions for governors and legislators.

13 **Highlighted Provisions:**

14 This bill:

- 15 ▶ requires a governor or legislator to retire prior to January 1, 2007 in order to receive
16 postretirement medical coverage; and
17 ▶ makes technical changes.

18 **Monies Appropriated in this Bill:**

19 None

20 **Other Special Clauses:**

21 None

22 **Utah Code Sections Affected:**

23 AMENDS:

24 **49-20-404**, as renumbered and amended by Chapter 250, Laws of Utah 2002

26 *Be it enacted by the Legislature of the state of Utah:*

27 Section 1. Section **49-20-404** is amended to read:



28 **49-20-404. Governors' and legislative benefit.**

29 (1) The state shall pay the percentage [~~described in Subsection (3)~~] of the cost of
30 providing paid-up group health coverage [~~policy~~] under Subsection (3), for members and their
31 surviving spouses covered under Chapter 19, Utah Governors' and Legislators' Retirement Act
32 who:

- 33 (a) retire;
 - 34 (i) after January 1, 1998; and
 - 35 (ii) prior to January 1, 2007;
- 36 (b) are at least 62 but less than 65 years of age;
- 37 (c) elect to receive and apply for this benefit to the program; and
- 38 (d) are active members at the time of retirement or have retired and continued coverage
39 with the program until the date of eligibility for the benefit under this Subsection (1).

40 (2) The state shall pay the percentage [~~described in Subsection (3)~~] of the cost of
41 providing Medicare supplemental coverage under Subsection (3), for members and their
42 surviving spouses covered under Chapter 19, Utah Governors' and Legislators' Retirement Act
43 who:

- 44 (a) retire;
 - 45 (i) after January 1, 1998; and
 - 46 (ii) prior to January 1, 2007;
- 47 (b) are at least 65 years of age; and
- 48 (c) elect to receive and apply for this benefit to the program.

49 (3) The following percentages apply to the benefit described in Subsections (1) and (2):

- 50 (a) 100% if the member has accrued 10 or more years of service credit;
- 51 (b) 80% if the member has accrued 8 or more years of service credit;
- 52 (c) 60% if the member has accrued 6 or more years of service credit; and
- 53 (d) 40% if the member has accrued 4 or more years of service credit.

Legislative Review Note

as of 11-22-05 3:18 PM

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

Office of Legislative Research and General Counsel